



Albert Gallatin

Master of Finance

ALBERT GALLATIN was one of the most important and influential men of the early American Republic. Born in Geneva, Switzerland, on January 29, 1761, he was baptized Abraham Alfonse Albert Gallatin. In later years he dropped his two alliterative first names. Through his father Jean Gallatin he was a descendant of a family which had long been prominent in the Duchy of Savoy. After the city of Geneva established its independence in 1536, the Gallatins had an almost unbroken succession of that city's councillors and great lords. Young Albert was left an orphan at nine when his mother Sophie Albertine (Rolaz du Rosey) Gallatin died, and he was raised by a distant relative, Mlle. Catherine Pictet, a kindly woman who won her ward's lasting gratitude. The combination of a distinguished heritage, an enlightened Geneva, and an excellent education at his city's Academy produced the refined, polished young gentleman who by 1779 should have been ready to choose a profession. But what

could a young aristocrat much influenced by the various doctrines of freedom do? He refused his grandmother's offer to obtain for him a commission as a lieutenant colonel in the mercenary troops which her friend the Landgrave of Hesse was raising for George III to send to America. From all sides he felt pressures to enter professions for which he did not feel suited. That was the main reason which sent him and a friend fleeing to "the land of freedom" a few weeks before his nineteenth birthday. After a tiresome voyage, they landed in Massachusetts in 1780. Although Gallatin had earlier refused to fight against American freedom, he had come to the new land for his own liberty; and he brought with him not ammunition to fight with, but tea to sell! The patriot had not yet emerged.

At Boston, he met M. Savary, the representative of a firm in Lyons, France, which had a claim against Virginia. He joined Savary as a companion and interpreter and traveled with him to Philadelphia, where they were bitten by the bug of land speculation. Savary bought land warrants for 120,000 acres adjoining the "Washington bottom lands" on the south side of the Ohio River, and gave one-quarter, later one-half, share in the enterprise to young Gallatin on the condition that he give his personal attention to the land's development until his twenty-fifth birthday (January 29, 1786), when his inheritance would allow him to pay for his shares.

In the spring of 1784, Gallatin and a small

exploring party crossed the Alleghenies and established a temporary headquarters and store at Clare's Farm on the Monongahela River in Fayette County, Pennsylvania. A little while later he decided on the site of his western Pennsylvania home, "Friendship Hill." The first part of his mansion near New Geneva was completed by 1789, when Gallatin brought his first wife, Sophia Allegre of Richmond, Virginia, to his sylvan retreat. Life in the wilderness was unkind to her and within a few months she was dead. Today her grave may be seen on the grounds of "Friendship Hill." Besides land speculation, Gallatin had other economic interests in Fayette County. Prime among these was a glass factory he had built in 1796. This was the first factory of its kind west of the Allegheny Mountains.

The urbane Gallatin was never a very successful land speculator, nor a good farmer, and the rustic life began to pall on him. His place of residence, however, and his superior talents marked him as a leader of the homespun democracy of western Pennsylvania. He made his political debut in September, 1788, as a member of a conference that met in Harrisburg to consider the ways and means for revising the United States Constitution, which Pennsylvania had ratified the previous December. Gallatin probably was the most radically minded individual there. In a speech he made at the meeting, he conceded the inadequacy of the Articles of Confederation, but attacked the vagueness and the centralizing features of the Constitution. He prepared a set of resolutions which called for a much weaker federal government. His proposals were much too extreme for most of the delegates, who proceeded to modify them during the remaining days of the meeting. Finally they drew up a petition which called upon the Pennsylvania legislature to request Congress to summon, "at the earliest opportunity," a Convention with powers to amend the Constitution. Further, twelve amendments were suggested, including four which embodied earlier ones made by Gallatin: Congress's powers should be limited to those stated in the Constitution, there should be one representative for each 20,000 persons, election of Congressmen should be controlled by the Constitution, not by Congress itself, and Congress should be able to assess, levy, and collect the direct-tax quota of any state that did not promptly furnish its quota.

The Pennsylvania legislature never acted on the meeting's suggestions, and although the "Bill of Rights" added to the Constitution contained two amendments that paralleled suggestions made at Harrisburg, these were along lines similar to those previously proposed by the ratifying conventions in several states. Therefore, the meeting can be counted as one among a number of belated and futile attempts to bring about revision of the Constitution made by groups which had earlier opposed its ratification.

Gallatin next entered public service in the winter of 1789-1790, when he sat in the convention that revised the Pennsylvania Constitution. At this meeting he engaged in lively debates on suffrage, representation, taxation, and the judiciary. In October, 1790, he was elected to his second public office as a representative from Fayette County to the State legislature. He was re-elected to that office without contest in 1791 and 1792. His greatest service to the State, foretelling his service to the nation, was in the field of financial legislation. Hating, from his boyhood, all forms of debt, he devoted much time to figuring out ways in which to reduce the public debt. As part of his fiscal policy he was also instrumental in obtaining a charter for the Bank of Pennsylvania.

In 1793, when a new United States Senator was to be chosen, Gallatin although a Democratic-Republican was elected, 55-34, by the Federalist-dominated State legislature to represent the Commonwealth in the Third Congress. The Federalists in Congress, however, were not as well disposed to Gallatin as were their brethren in Pennsylvania, and for political reasons they denied him his seat in the Senate by vote of 14-12. They claimed that he had not been an American citizen for the nine years prescribed by the Constitution. After this defeat Gallatin sold his western lands to Robert Morris for 4,000 pounds, Pennsylvania money, payable (but not paid) in three yearly installments, and he and his second wife, Hannah Nicholson of New York, whom he had married November 1, 1794, returned home to "Friendship Hill."

During the time that he was absent from his home much had happened. The federal government's decision to collect the taxes on whiskey under Alexander Hamilton's excise bill of 1791 had provoked a wave of discontent that spread among the farmers in the western part of the State. David Bradford, whose Washington,

Pennsylvania, house is now owned by the Commonwealth, stirred the disgruntled farmers to action. They held angry meetings, raised a militia, terrorized Pittsburgh, and forced revenue officers to flee for their lives.

With superb courage Gallatin moved into this superheated atmosphere. He had his doubts about the constitutionality of the whiskey levy, but his chief objection to it was that it "will bear hard upon the honest and industrious citizens whilst the wealthy and conniving parts of the community will avoid payments by stratagems." Although not believing in the law, he preached for peaceable submission to it. On August 14, 1794, he spoke to a rally of the farmers' delegates at Parkinson's Ferry; and later in the month, at a meeting held in a hastily-built shed in Brownsville, his reasoned, logical arguments convinced a number of the members of the rebel committee, even the firebrand Bradford, to vote to recommend that their followers peacefully submit to the law. After the meeting adjourned, a handful of die-hard spectators continued to loiter about the meeting place and to talk vaguely about way-laying Gallatin as he left Brownsville, but with the desertion of Bradford they lacked resolution, and Gallatin safely returned home.

During the two weeks after the meeting Gallatin traveled through Fayette County urging

people to submit to the law, and to present themselves at their polling places on September 11, when all adult male citizens would receive a pardon for past offenses upon promising good conduct in the future. It can almost be said that Gallatin saved western Pennsylvania from civil war. When the Federal troops under the command of Governor Henry Lee of Virginia arrived to put down the rebellion, they found, instead of "embattled farmers" to subdue, only a few flagrant lawbreakers who were taken back to Philadelphia for trial. Hamilton, who had led the troops as far as Pittsburgh, remained in that city trying to prove that Gallatin had helped to cause the disturbance. No proof was found, but for the rest of his life his political enemies persisted in reviving the charge that Gallatin was the chief instigator of the Whiskey Rebellion.

In the autumn of 1794, the grateful citizens of western Pennsylvania, greatly pleased with the role he played in settling the insurrection, elected him to the federal House of Representatives. Re-elected twice, he served from 1795 to 1801. In Congress he quite naturally insisted upon a strict accounting of the Treasury to Congress, and in 1800 he was instrumental in steering through the House legislation which required the Secretary of the Treasury to make a yearly accounting of funds to the Congress.



FRIENDSHIP HILL

When James Madison and William Branch Giles retired from the House in 1797, Gallatin became the acknowledged leader of the Democratic-Republican faction in the House. His last days in Congress were spent leading the fight in the House for the selection of Jefferson as President over Aaron Burr. With Jefferson's victory, it was only natural that Gallatin as a specialist in financial matters should be appointed Secretary of the Treasury. He held that office longer than any other man in American history, serving from 1801 to 1814. Once in office, he vigorously attacked the public debt, and through careful management of the country's finances he was able to reduce the debt materially until the War of 1812 made this policy impossible.

After 1811, it became increasingly unpleasant for him to remain as Secretary of the Treasury. It was with a feeling of great relief that in May, 1813, at the request of President Madison, he went to Russia to study the details of a Russian offer to mediate Anglo-American differences. He stayed in Russia several months, but nothing came of the Russian offer. In 1814, he was one of the five American commissioners who negotiated the Treaty of Ghent which ended the war. It was now that he was officially replaced as Secretary of the Treasury.

After the Treaty was signed, he revisited Geneva for the first time in thirty-five years. Returning to America in 1816, he accepted the post of American minister to France, an office which he held for seven years. In 1823, he once again returned to America, and he and his family lived a year in the new stone mansion

built at "Friendship Hill" under the supervision of his son Albert, Jr., while the rest of the family was in Europe. It was during this stay that Lafayette, on his triumphal tour of the United States, visited the Gallatins at their estate overlooking the Monongahela.

Gallatin originally intended to live out his days as a gentleman farmer, but he yielded to his family's wish that they return to city life, and in 1826 he accepted an appointment as American Ambassador to the Court of St. James. Returning from London the next year, he retired from public life and settled in New York City. There in 1831 at the urging of his friend John Jacob Astor he became the president of the new National (later Gallatin) Bank, a post he held until 1839. In 1832 he broke his long tie with Pennsylvania when he sold his home "Friendship Hill" to a Frenchman whom he had met in Paris.

His later years in New York were given over to benevolent and intellectual attainments. He was one of the founders of the University of the City of New York and an early president of the New York Historical Society. It was also during his years in New York that he undertook the studies of the American Indian which brought him the title of "the father of American ethnology." He remained active and vigorous until his 87th year. The shock of the death of his wife in 1849 seriously weakened him, and on August 12, 1849, he died at the country home of his daughter Frances at Astoria, Long Island. He was 88 years old when he went on to join his generation, the founders of the American Republic, all of whom he had outlived.